

## Plan Summaries and Benefits

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## PLAN SUMMARIES AND BENEFITS

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### Summary of Health Insurance Plans

#### PEEHIP Basic Hospital Medical Description of Plan

##### *Hospital Benefits (Administered by Blue Cross)*

- **Inpatient Hospitalization:** Services are covered in full for 365 days without a dollar limit.
- **Deductible:** \$100 for each admission. You are also responsible for the difference between private and semi-private accommodations and other non-medical items, such as TV, phone, etc.
- **Preadmission Certification (PAC):** All admissions will be subject to Preadmission Certification by completing a BLUE CROSS BLUE SHIELD OF ALABAMA PREADMISSION CERTIFICATION form. *Emergency admissions must be certified by the first business day following the admission by calling 1-800-354-7412.*
- **Inpatient Rehabilitation:** Coverage in a rehabilitation facility limited to one admission per illness or accident; one per lifetime with a 60 day maximum. Precertification is required.
- **Outpatient Hospital Charges:** \$75 facility co-pay for outpatient surgery and \$25 facility co-pay for medical emergencies and hemodialysis. There is no co-pay required for accident related services rendered within 72 hours after the accident.

##### *Major Medical Benefits (Administered by Blue Cross)*

- **Deductible:** \$100 deductible per person per calendar year; maximum of 3 deductibles per family per year.
- **Maximum:** \$1,000,000 lifetime maximum for each covered member.
- **Coinsurance:** After you pay the \$100 deductible, the plan pays 80% of the Usual Customary Rates (UCR) of covered expenses for the first \$2,000 and 100% UCR thereafter.
- **Covered Services:** Physician services for medical and surgical care when you do not use a PMD physician; laboratory and X-rays, (outpatient MRI's must be precertified); ambulance service; blood and blood plasma; oxygen, casts, splints and dressings; prosthetic appliances and braces; podiatrist services; physical therapy; allergy testing and treatments; semi-private room and other hospital care after basic hospital benefits expire.

##### *Preferred Medical Doctor (PMD)*

- **\$3 Co-pay Per Test:** Outpatient diagnostic lab and pathology (including pap smears).
- **\$20 Copay Per Visit:** Doctor's office visits and consultations; one routine preventive visit each year for adults age 19 and over.

##### *Pharmacy Program (Administered by Express Scripts)*

- **\$50 annual deductible per person per contract year (October 1 – September 30)**
- **Participating Pharmacy:** When you choose a Participating Pharmacy you pay the following:

- \$10 for any covered generic prescription drug
- \$20 for any covered preferred brand drug
- \$40 for any covered non-preferred brand drug
- Participating pharmacies will file all claims for you. Most major pharmacy chains in-state and out-of-state participate with Express Scripts.

#### ***Non-Participating Pharmacy***

- No benefits for using a non-participating pharmacy in Alabama
- Coverage outside Alabama: You will file the claim and be reimbursed at the Participating Pharmacy rate less the appropriate co-pay.

#### ***PPO Blue Card Benefits (Out-of-State Providers)***

- The Blue Card PPO program offers “PMD-like” benefits when members access out-of-state providers as long as the physician or hospital is a participant in the local Blue Cross PPO program in **that state**. This program allows members to receive PMD benefits such as well baby care, routine physicals and routine mammograms when accessing PPO providers.

#### ***Out of Country Coverage***

- If you receive medical treatment outside of the United States and the services are medically necessary, PEEHIP will pay primary under the major medical benefits. All PEEHIP deductible and coinsurance amounts and contract limitations will apply. The claims must be stated in U.S. dollars and filed with Blue Cross of Alabama.

#### ***Excluded Services***

**Coverage is not provided** for nursing home costs, vision and dental care (except accidental injuries), cosmetic surgery, hearing aids and experimental procedures.

### **Wellness Program**

The statewide Wellness Program is administered by the Alabama Department of Public Health. Members and dependents covered by the PEEHIP Hospital Medical Plan, HMO or optional plans can receive free health screening by the Public Health Department nurses at different sites during the year. The health screening tests include blood pressure, glucose, and an HDL/LDL cholesterol screening as well as osteoporosis screenings for high risk members.

### **HealthSpring of Alabama HMO**

#### ***Description of Plan***

HealthSpring of Alabama HMO is a Hospital Medical plan option available to members living in HealthSpring service areas. Guidelines of the HealthSpring HMO are:

- Member must choose a personal physician from The HealthSpring directory
- Member must use participating hospitals
- If member needs services from a specialist, member may choose a specialist from the provider directory and make an appointment
- Member is **not required** to obtain a referral from a primary care physician to use a participating specialist

HealthSpring of Alabama also offers a “**Medicare + Choice**” option to those retirees who are eligible for Medicare and who live in **Baldwin, Bibb, Blount, Chilton, Jefferson, Mobile, Shelby, St. Clair and Walker counties only**. This plan provides additional benefits such as no co-payment for office visits, no co-payment for inpatient care, dental and vision benefits, and the same prescription benefit that is offered to active employees.

#### ***Service Area***

Coverage with The HealthSpring HMO Plan is available in the following areas:

Autauga	Clarke	Jefferson	Monroe	Tuscaloosa
Baldwin	Coosa	Lawrence	Montgomery	Walker
Bibb	Cullman	Lowndes	Morgan	Washington
Blount	Dallas	Macon	Pickens	Winston
Bullock	Dekalb	Madison	Russell	
Calhoun	Elmore	Marion	Shelby	
Cherokee	Etowah	Marshall	St. Clair	
Chilton	Fayette	Mobile	Talladega	

### **VIVA Health HMO Plan**

#### ***Description of Plan***

The VIVA Health HMO Plan is a Hospital Medical plan option available to members living in the Viva Health service areas. Guidelines for the VIVA Health HMO are:

- Member must choose a personal physician from the VIVA Health directory
- **Member is not required to obtain a referral from a primary care physician to use a participating specialist.**
- Member must use participating hospitals
- If member needs services from a specialist, the member can choose a specialist from the directory and make an appointment.

#### ***Service Area***

Coverage with VIVA Health Plan is available in the following areas:

Autauga	Cherokee	Dallas	Mobile	Walker
Baldwin	Chilton	Dekalb	Monroe	Washington
Bibb	Clarke	Elmore	Montgomery	
Blount	Conecuh	Jefferson	Shelby	
Bullock	Coosa	Lawrence	St. Clair	
Butler	Cullman	Madison	Talladega	
Calhoun	Dale	Marion	Tuscaloosa	

VIVA Health Plan offers a “**Medicare + Choice**” option to those retirees who are eligible for Medicare and who live in the **Blount, Jefferson, Shelby and St. Clair Counties only**. This plan provides additional benefits such as no co-payment for office visits, no co-payment for inpatient care, dental and vision benefits, and the same prescription benefit that is offered to the active employees.

**Remember, this is only a summary of benefits. Members should refer to the appropriate benefit booklet for detailed information and limitations.**

## Optional Plans

There are four optional plans offered through PEEHIP. A synopsis of these plans is provided below. A comprehensive benefit booklet will be mailed to those who enroll in the plan(s). For those members wanting more detailed information prior to enrollment, please contact Southland National to obtain a benefit booklet.

Claims administration is provided through the Southland National Insurance Company. *All Optional plans must be retained for the entire insurance year, i.e. until the end of September 30.* New employees employed during the Open Enrollment period cannot enroll in the Optional plans on their date of employment and cancel the plans October 1 of that same year.

If a member is enrolled in more than one of the Optional plans, the contracts must be all family or all single plans. Members enrolled in family optional plans cannot change to single Optional plans outside of the Open Enrollment period unless all dependent(s) become ineligible due to age, death or divorce.

Listed below are merely summaries of benefits for the Optional plans. Members should refer to the PEEHIP Member Handbook for detailed information and limitations.

### **Cancer Plan**

- This plan covers cancer disease **only**.
- Benefits are provided regardless of other insurance.
- Benefits are paid directly to the insured unless assigned.
- Coverage provides \$250 per day for the first 90 consecutive days of hospital confinement, \$500 per day thereafter.
- Actual surgical charges are paid up to the amounts in the surgical schedule.
- The lifetime maximum benefit for radiation and chemotherapy coverage is \$10,000. This benefit covers actual charges for cobalt therapy, x-ray therapy, or chemotherapy injections (excluding diagnostic tests).
- Benefits are also provided for Hospice care, anesthesia, blood and plasma, nursing services, attending physician, prosthetic devices, and ambulance trips.

### **Dental Plan**

- This plan covers diagnostic and preventative services, as well as basic and major dental services.
- Diagnostic and preventative services are not subject to a deductible and are covered at 100% (based on Alabama reasonable and customary charges). These services include: oral examinations, teeth cleaning, fluoride applications for insured children up to age 19, space maintainers, x-rays, and emergency office visits.
- Routine cleaning visits are limited to two times per plan year.
- Basic and major services are covered at 80% for individual coverage and 60% for family coverage with a \$25 deductible for family coverage (based on the Usual Customary Rates (UCR) for Alabama). These services include: fillings, general anesthetics, oral surgery not covered under a Group Medical Program, periodontics, endodontics, dentures, bridgework, and crowns.
- The family coverage deductible for basic and major services is applied per person, per plan year with a maximum of three (3) per family.

- All dental services are subject to a maximum of \$1,250 per year for individual coverage and \$1,000 per person per year for family coverage. Dental coverage does not cover pre-existing dentures or bridgework, nor does it provide orthodontia benefits.
- **The dental coverage does not cover the replacement of natural teeth removed before a member's coverage is effective.**
- This plan does not cover temporary partials, implants, or temporary crowns.
- The dental plan administered by Southland National also offers a money-saving network program known as *DentaNet*. Under the *DentaNet* program, members have the opportunity to use network dentists but still have the freedom to use any dentist.
- Dental benefits under this plan will always be paid secondary to other dental plans.

#### ***Hospital Indemnity Plan***

- This plan provides a per day benefit when the insured is confined to the hospital.
- The In-Hospital Benefit is \$150 per day for individual coverage and \$75 per day for family coverage.
- In-hospital benefits are limited to 365 days.
- Intensive care benefit is \$300 per day for individual coverage; \$150 per day for family coverage.
- Convalescent care benefit is \$150 per day for individual coverage; \$75 per day for family coverage.
- Convalescent care benefits are limited to a lifetime benefit of 90 days. This plan does not cover assisted living facilities.
- Cancer and maternity admissions are covered as any other illness.
- There is supplemental accident coverage for \$1,000. The reimbursement for an accident(s) is limited to a maximum of \$1,000 per contract year for each covered individual. There is no limit on the number of accident claims that can be filed per contract year.

#### ***Vision Care Plan***

This plan provides coverage for:

- One examination in any 12-month period (actual charges up to \$40)
- One new prescription or replacement prescription for lenses per plan year (up to \$50 for single vision, \$75 for bifocals)
- One new prescription or replacement of contacts per plan year (up to \$100 for contact lenses)
- One new or replacement set of frames per plan year (up to \$60)
- Either glasses or contacts, but not both in any plan year
- Disposable contact lenses
- Vision benefits under this plan will always be paid secondary to other vision plans

**Remember, this is only a summary of benefits. Members should refer to the appropriate benefit booklet for detailed information and limitations.**

## **Coordination of Benefits**

If an employee is enrolled in the dental and/or vision plans provided by PEEHIP and is also entitled to any other dental or vision coverage, the total amount that is payable under

all plans will not be more than 100% of the covered expenses. In addition, PEEHIP will coordinate benefits with other vision and dental coverages. A member must correctly complete the *Additional Health Insurance Coverage* section of the ENROLLMENT FORM and update PEEHIP when changes are made.

Members and dependents are legally required to notify PEEHIP of other coverage. Also systems must inform PEEHIP when other insurance coverage of any kind is provided to employees by their system.

**Claims incurred and filed on the PEEHIP dental and vision plans administered by Southland National are always paid secondary to other dental and vision plans.**

COMPARISON OF BENEFITS  
EFFECTIVE **OCTOBER 1, 2004** – **SEPTEMBER 30, 2005**  
(CHANGES ARE IN BOLD)

	<b>PEEHIP - Traditional Plans</b> (administered by Blue Cross) Preferred Providers	<b>HealthSpring of Alabama HMO*</b> (in approved areas only)	<b>VIVA Health Plan HMO*</b> (in approved areas only)
<b>Preventive Medical</b>	\$20 copayment then covered in full	<b>\$20 copayment then covered in full</b>	<b>\$20 copayment then covered in full</b>
Well Baby Care	\$20 copayment per visit (6 visits 1st year; 1 visit/yr. thru age 6; one exam every 2 yrs ages 7 - 18)	<b>\$20 copayment then covered in full</b>	<b>\$20 copayment then covered in full</b>
Routine Immunizations	\$20 copayment then covered in full	<b>\$20 copayment then covered in full</b>	<b>\$20 copayment then covered in full</b>
<b>Office Care</b>			
Physician's Care	\$20 per visit	<b>\$20 per visit</b> No referrals are necessary.	<b>\$20 per visit for primary care. \$35 for specialty care. Referrals are no longer necessary.</b>
Lab Procedure	\$3 per test	<b>Covered in full (after \$20 office visit copayment)</b>	<b>Covered in full (after office visit copayment)</b>
<b>Maternity</b>			
Physician's Care	Covered in full	<b>\$20 copayment (initial visit only) then covered in full</b>	<b>\$35 copayment (initial visit only) then covered in full</b>
Inpatient	\$100 hospital copayment	Covered in full after \$200 copayment	<b>Covered in full after \$300 copayment</b>
<b>Hospital Services</b>	\$100 copayment per admission	\$200 copayment per admission	<b>\$300 copayment per admission</b>
<b>Outpatient Surgery</b>	\$75 copayment	\$50 copayment, then covered in full	<b>\$100 copayment, then covered in full</b>
<b>In-Hospital Care</b>			
Surgeon	Covered in full	Covered in full	Covered in full
Physician Visits	Covered in full	Covered in full	Covered in full
Anesthesiologist	Covered in full	Covered in full	Covered in full

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	<b>PEEHIP – TRADITIONAL PLANS</b> Preferred Providers	<b>HealthSpring of Alabama HMO*</b> (in approved areas only)	<b>VIVA Health Plan HMO*</b> (in approved areas only)
<b>Emergency</b>			
In Area/Out of Area Emergency Room	\$25 per visit, accident within 72 hours covered 100%	\$50 emergency room visit, waived if admitted within 24 hours	<b>\$75 emergency room visit for facility, waived if admitted within 24 hours; Physician's charges covered at 100%.</b>
<b>Mental Health and Substance Abuse</b>			
Inpatient	Copayments: Days 1-9 \$0, days 10-14 \$15, days 15-19 \$20, days 20-24 \$25, days 25-30 \$30. Maximum of 30 days per member per fiscal year at approved facilities. Limit of one substance abuse admission per year and two admissions per lifetime.	Mental Health covered at 100% after \$200 copayment. Maximum benefit for mental health is 30 inpatient days per member per contract year. Substance abuse coverage is limited to detox only.	Mental Health covered at 50%. Maximum benefit for mental health is 30-day combined maximum for mental health/substance abuse per calendar year. Substance abuse is limited to detox only. Maximum of 3 days/occurrence with 50% coverage.
Outpatient	\$10 copayment for up to 20 outpatient visits at approved facilities.	\$20 copayment per visit for up to 20 visits for mental health per contract year. Substance abuse coverage is limited to detox coverage only.	100% coverage after \$50 copayment per visit. Subject to 20 visit combined maximum for mental health/substance abuse per calendar year.
<b>Prescription Drugs</b>	<b>Administered by Express Scripts.</b> \$50 annual deductible per person per contract year (Oct 1 – Sept 30) Generic - \$10 copayment Preferred Brand Name Drugs \$20 copayment. Non-preferred Brand Name Drugs \$40 copayment. Approved Maintenance drugs covered for 90 day supply. No benefits available when non-participating pharmacy in the State of Alabama is used. Out-of-State non-participating pharmacies are paid at the participating pharmacy rate. Members pay difference in cost plus appropriate copayments. Pharmacists must dispense generic drug unless physician indicates in longhand writing "Do Not Substitute".	Generics - \$10 copayment Preferred Brand Names - \$20 copayment <b>Non-Preferred Brand - \$45 copayment (30 day supply)</b> Member limit: • \$2500 maximum payment for drug costs, per plan year, per person. • \$5000 maximum payment for drug costs per plan year per family. When generic equivalents are available, the copayment for a brand name drug equals the brand name copay plus the cost difference between the brand and generic, unless the participating physician specifies that the brand name is necessary. Please refer to the Drug Rider for further information. Participating pharmacies only. Mail order pharmacy is available.	<b>Generic - \$12 copayment</b> <b>Brand Name - *\$25 preferred brand(formulary)</b> <b>*\$45 non-preferred (non-formulary)</b> *When an appropriate grade generic is available and brand name is chosen, the copayment will be the brand name copayment plus the cost differential between the brand and generic drugs. 50% coverage for Mental Health drugs. <b>90% coverage for self-administered injectibles, bio-technical and biological drugs.</b> \$2,500 maximum payment in drug costs, per plan year, per person. Participating pharmacies only. Mail Order pharmacy is available.

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	<b>PEEHIP – TRADITIONAL PLANS</b> Preferred Providers	<b>HealthSpring of Alabama HMO*</b> (in approved areas only)	<b>VIVA Health Plan HMO*</b> (in approved areas only)
<b>Other Services</b>			
Out-of-State Coverage for Non-PPO Provider	Major Medical benefits apply - payable at 80% UCR after \$100 yearly deductible	Only Emergency Services available	Only Emergency and Urgent Care Services and Prescription Benefits available
Out-of-State Coverage for PPO Provider	\$20 copayment per visit. Members must use providers participating in the Blue Cross plan of that State.	N/A	N/A
Vision Examinations	Not Covered	<b>Covered in full once each 24 months after a \$20 copayment to a participating HealthSpring provider.</b> Spectera Vision Plan - \$10 copayment for Spectera's participating doctors or facilities.	<b>Covered in full once each 12 months after a \$35 copayment with participating provider.</b>
Dental	Not Covered	<b>No Dental or Othodontia benefits beginning October 1, 2004</b>	The Dental Plan allows you to seek treatment from any licensed dentist. The plan reimburses a percentage of eligible expenses based on usual, customary and reasonable (UCR) fees. Type I – Preventive & Diagnostic – 100% of UCR Type II – Basic Services – 50% of UCR <b>Type III – Major Services** - 25% of UCR</b> Deductible (applies to Basic & Major Services) - \$50 per person/\$150 per family <b>Calendar Year Max - \$500</b> **12-month Waiting Period applies to Major Services
Spinal Service & Chiropractic Services	<b>Participating Chiropractor</b> – Covered at 80% of the allowed amount with no deductible. <b>Non-participating Chiropractor</b> - Covered under major medical at 80% of allowed amount. Member will owe 20% co-insurance, major medical deductible and charges over allowed amount.	Limited to 12 visits per contract year. <b>\$20 copayment per visit.</b>	Limited to 10 visits per calendar year. <b>\$35 copayment per visit.</b>

**\* VIVA and HealthSpring of Alabama HMOs: No referral from a primary care physician (PCP) is required. Members must select a PCP and use participating physicians and specialists. Members must use participating hospitals.**

***This is only a summary of benefits.  
Members should refer to their plan's benefit booklet for detailed information and limitations.***